

Maria Contreras-Sweet, Secretary
Business, Transportation and Housing Agency

**DEPARTMENT OF FINANCIAL INSTITUTIONS****REPORT OF INVESTMENT IN CORPORATION**

(Facing Page)

To: Commissioner of Financial Institutions**Date:** _____

_____ hereby reports that it has invested
(Name of Bank)

in the equity securities of _____ under
(Name of Corporation)

Financial Code Section 772 pursuant to the general authorization set forth in Section 10.19072 of
the Regulations of the Commissioner of Financial Institutions.

The attached documents are hereby referred to and by this reference incorporated herein.

(Name of Applicant)

By

(Signature)

(Name and Title)

(Mailing Address)

(Telephone Number)

STATE OF CALIFORNIA
DEPARTMENT OF FINANCIAL INSTITUTIONS
INSTRUCTIONS FOR FORM 702

A. General.

Form 702 is to be used in accordance with Subdivision (e) of Section 10.19072 of the regulations of the Commissioner of Financial Institutions (the "Commissioner") in cases where a California state bank (the "Bank") reports that it has invested in a corporation (the "Corporation") under Financial Code Section 772.

Form 702 is to be filed with the Commissioner only if the Corporation is a regulated corporation. If the Corporation is not a regulated corporation, Form 702 is to be retained in the Bank's records for at least two years.

The definitions and general provisions which are set forth in or are applicable to the Regulations of the Commissioner relating to Financial Code Section 772 (Subarticle 2 (commencing with 10.19050), Article 7, Subchapter 10, Chapter 1, Title 10 of the California Administrative Code) are applicable also to these instructions.

B. Contents.

The report shall contain, in addition to the information called for in the facing page, the following information and documents, which shall be attached to the facing page:

(In case the Corporation has not yet commenced business, so state and provide the required information on an "as proposed" basis. Also, in case any material change is proposed or expected to occur with respect to any required information, so state and describe the change.)

1. Name the state or nation where the Corporation was incorporated.
2. State the mailing address of the head office of the Corporation.

3. Describe the business of the Corporation.
4. State whether the Corporation is a regulated or non-regulated corporation.
5. Provide the following information with respect to each director and executive officer of the Corporation.
 - (a) Name.
 - (b) Residence address.
 - (c) Occupation or business affiliation.
6. Name each 10% equity security owner of the Corporation.
7. Describe the Bank's investment in the Corporation, including:
 - (a) Describe each type of investment which the Bank made in the Corporation (e.g., common shares, preferred shares, loans, etc.); and, for each type of investment, state the number or principal sum acquired by the Bank and the amount invested by the Bank.
 - (b) State whether or not the Bank made the investment by investing directly in the Corporation or by acquiring the investment from third parties; and, in case the Bank made the investment by acquiring it from third parties, identify the third parties.
 - (c) In case the Bank invested in securities of the Corporation, state the percentage of the class or series of the securities of the Corporation which the Bank owns and the percentage of the voting power of the Corporation which the Bank holds.
8. In case the Corporation is a regulated corporation:
 - (a) State the total amount that the Bank has invested in corporations under Financial Code Section 772 (exclusive of the investment in the Corporation).

(b) Provide a summary of the information regarding the Bank's investment in the Corporation that was presented to the board of the Bank (or, in case the Bank's investment in the Corporation was authorized by a committee of the board, a summary of the information that was presented to the committee).

9. (a) In case the Corporation is a regulated corporation, provide a copy of either (i) a resolution of the board of the Bank, authorizing the Bank to make the investment in the Corporation, or (ii) a like resolution of a committee of the board which is authorized to exercise the powers of the board with respect to such matters. The copy of the resolution shall be certified by the secretary or by an assistant secretary of the Bank.

(b) In case the Corporation is a non-regulated corporation, state the date on which the Bank's board or a committee of the Bank's board authorized the Bank to make the investment in the Corporation and, in case a committee of the Board provided the authorization, the name of the committee.

C. Signature.

The report shall be signed at the place provided on the facing page in the name of the Bank by an officer of the Bank.

This is a sample format of an application by a bank for specific authority to invest in corporate securities pursuant to Financial Code Section 772 and Section 10.19072 of Title 10 of the California Code of Regulations. This sample is provided only as an illustration of the format of an application. Refer to the requirements of Financial Code Sections 772 and Title 10 California Code of Regulations Section 10.19072, *et seq.*